

AMENDMENT TO H.R. 3355
OFFERED BY MR. FEENEY OF FLORIDA

Page 22, after line 4, add the following:

1 (h) DIRECT ASSISTANCE TO HOMEOWNERS.—Not-
2 withstanding any other provision of this Act, the Secretary
3 shall, by regulation, provide that any entity that receives
4 a loan under this section may use not more than 10 per-
5 cent of the amount of the loan to provide direct financial
6 assistance to homeowners of principal residences located
7 within the geographic area covered by the State or re-
8 gional reinsurance program, for use only for costs of ob-
9 taining or maintaining homeowners' insurance coverage
10 for such principal residence, as follows:

11 (1) REQUIREMENT OF RATE INCREASE DUE TO
12 CATASTROPHE EVENT.—Direct financial assistance
13 under this subsection—

14 (A) may be provided only to homeowners
15 who, during the 12-month period beginning
16 upon the occurrence of any natural catastrophe
17 event, including any earthquake or and peril en-
18 suing from earthquake (including fire and
19 tsunamis, tropical cyclone having maximum
20 sustained winds of not less than 74 miles per

1 hour (including hurricane and typhoon), tor-
2 nado, volcanic eruption, and catastrophic winter
3 storm, that affects the geographic area in which
4 the principal residence of the homeowner is lo-
5 cated, are subject, upon renewal of coverage for
6 homeowners' insurance coverage for the prin-
7 cipal residence of the homeowner, to a premium
8 rate increase for such coverage of 30 percent or
9 more; and

10 (B) may be used only to obtain or main-
11 tain such coverage under a policy for which the
12 premiums rates cost at least 30 percent more
13 than the premiums for the most recent policy
14 for homeowners' insurance coverage covering
15 same property.

16 (2) HIGH-RISK ZONE REQUIREMENT.—The Sec-
17 retary shall, by regulation, provide that if a State
18 has designated, for such purposes as the Secretary
19 considers appropriate, the areas in the State that
20 are at a high risk of occurrence of, or loss resulting
21 from, a natural catastrophe (as such term is defined
22 for purposes of subparagraph (A)), direct financial
23 assistance under this subsection may be provided
24 only with respect to properties located within such
25 designated high-risk areas.

1 (3) USE OF PRIVATE INSURERS.—Any home-
2 owner who has access to homeowners' insurance cov-
3 erage for such principal residence through two or
4 more private insurers may use direct financial assist-
5 ance under this subsection only to obtain or main-
6 tain such coverage through such a private insurer. If
7 a homeowner has access to such coverage through
8 less than two such private insurers, such financial
9 assistance may be used to obtain or maintain cov-
10 erage through a State or other public insurance pro-
11 vider, including any State residual market insurance
12 entity.

13 (4) REPAYMENT.—The Secretary shall provide
14 that—

15 (A) a homeowner receiving financial assist-
16 ance pursuant to this subsection shall repay to
17 the entity providing such assistance, upon the
18 sale or other transfer of the property with re-
19 spect to which such assistance is provided, an
20 amount equal to 90 percent of the aggregate
21 amount of such assistance provided to the
22 homeowner; and

23 (B) such entity providing such assistance
24 shall retain a lien on the property with respect
25 to which such assistance is provided in the

1 amount required to be repaid pursuant to sub-
2 paragraph (A).